



# OTZ TELEPHONE COOPERATIVE, INC.

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## RECEIVED

By the Regulatory Commission of Alaska on Jun 30, 2023

### Essential Network Support Report 3 AAC 53.330(c)

Pursuant to 3 AAC 53.330(c), a carrier that receives essential network support under 3 AAC 53.346 shall file with the commission, no later than July 1 of each year, a report explaining how essential network support was used during the prior year to fund capital investment or pay ongoing operation and maintenance expenses.

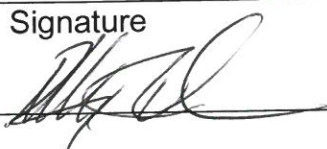
Company Name: OTZ Telephone Cooperative, Inc.

Company Contact: Kelly Williams  
Contact Phone Number: (907) 442-1000  
Study Area(s): 613019

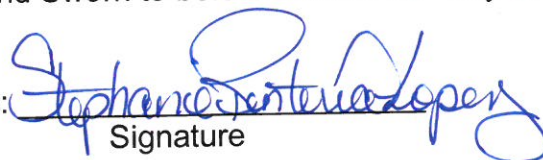
OTZ hereby provides the following report explaining how universal service support was used during the prior year to fund capital investment or pay ongoing operation and maintenance expenses.

- Pursuant to the universal service goals pursuant to 47 U.S.C. subsection 254(e) and CFR Title 47 subsection 54.7 an incumbent rural ETC shall use universal service support for the provision, maintenance, and upgrading of facilities and services for which support is intended. The use of federal universal service support shall include investments in plant that can, either as built or with the addition of plant elements, when available, provide access to advanced telecommunications and information services. OTZ's current and future Federal USF High Cost Loop Support is recovery of a portion of actual eligible network investments made two years prior to the receipt of those funds. The receipts are not specifically designated to any single current or future project or equipment purchase. Instead, OTZ treats these receipts as a reduction to its local service costs (normalized local revenue requirement) used to set local service rates in order to benefit its customers by offering service rates in our rural study area that are comparable to rates in urban areas.
- Universal service support in the prior calendar year was, and continues to be, critical to improvements in service quality, coverage and capacity made to OTZ's landline system. OTZ is continually monitoring and optimizing its network to provide a quality experience for our customers, which, would not be possible without universal service support. Specifically, OTZ has used universal service support in the past year to:

- Improve service quality, coverage and capacity
- Maintain existing networks
- Upgrade/maintain general support assets
- Upgrade/maintain central office asset including:
  - Equipment replacement and upgrade
- Upgrade/maintain cable and wire facility assets including:
  - Fiber to new locations

Signature 	Type or Print Name Kelly Williams	Date 6-23-23
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Subscribed and Sworn to before me this 30<sup>th</sup> day of June, 2022.

Notary Public:   
Signature

Commission Expires: 05-01-2027  
Date

